

IRS News Release

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E-file 7 Percent Ahead of Last Year

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WASHINGTON — The Internal Revenue Service announced today that e-file, direct deposit and e-payment programs are running at record paces so far this year.

Through April 1st, 52 million tax returns were filed electronically, a 7 percent increase from last year. Overall, 65 percent of all returns were e-filed – up from 60 percent for the same period last year. While this percentage will decline as April 15 approaches, the IRS expects for the first time to have more than half of all individual tax returns filed electronically.

Almost 4 million returns have been filed through the Free File program so far this year. With 3.93 million returns free filed so far – up 44 percent from the 2.7 million returns filed through the program at this time last year – the free program is serving a significant percent of e-filers. The IRS and a consortium of tax software manufacturers offer free services through Free File, which is available at IRS.gov. Free file is in its third year.

“As we get deeper into the tax filing season, the percent difference between how many people are using e-file and used it last year keeps going up,” said IRS Commissioner Mark W. Everson. “This shapes up as a really strong year. Taxpayers who haven’t filed yet should check into e-file and Free File.”

Record numbers of individuals are choosing to have their refunds directly deposited into their bank accounts. So far this year 42 million refunds were paid through direct deposit up 5.7 percent for the same time last year.

Taxpayers who e-file and choose direct deposit get their refunds in half the time of those who file a paper return. Even paper filers, however, can get the benefit of direct deposit by choosing that option on their tax forms; they will get their refunds a week sooner than waiting for a paper check.

2005 FILING SEASON STATISTICS

Cumulative through the week ending 4/2/04 and 4/1/05

	<u>2004</u>	<u>2005</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	81,021,000	80,014,000	-1.2
Total Processed	75,838,000	75,743,000	-0.1
E-filing Receipts:			
TOTAL	48,554,000	52,098,000	7.3
TeleFile (phone)	3,185,000	2,740,000	-14.0
Computer	45,369,000	49,358,000	8.8
Tax Professionals	34,275,000	36,663,000	7.0
Self-prepared	11,094,000	12,695,000	14.4
Total Refunds:			
Number	67,889,000	67,063,000	-1.2
Amount of principal	\$142.540 billion	\$148.203 billion	4.0
Average refund	\$2,100	\$2,210	5.3
Direct Deposit Refunds:			
Number	39,847,000	42,116,000	5.7
Amount	\$98.128 billion	\$108.155 billion	10.2
Average	\$2,463	\$2,568	4.3